

## CONSTRUCTION COMPANY WARNS CONGRESS: WITHOUT EX-IM WE CAN'T COMPETE IN AFRICA

Rich Kenny said the U.S. Export-Import Bank must remain open or American construction and engineering firms will find it very difficult to compete for business in Africa.

"For people to think that private banks are going to step in and provide ECA-type credit to sovereigns in Africa, outside of South Africa—that's unrealistic," said Mr. Kenny, Vice President of International Finance at the New Jersey-based infrastructure construction company The Conti Group. ECAs, or export credit agencies, are government agencies in countries around the world that provide financing to private and public entities.

He said The Conti Group is currently working with the Ex-Im Bank on financing for a \$595 million deal to provide flood management and waste remediation for the country of Ghana. He said the Ex-Im Bank is going to provide a significant portion of the financing for the project.

The Conti Group, which has just under 500 employees, is about 100 years old and in the wake of Hurricane Katrina was brought in to shore up the infrastructure in the New Orleans area, including flood walls. The company takes on large infrastructure projects, or as Mr. Kenny likes to say, "Major civil projects—you're not going to hire us to pave the street."

He said to win infrastructure projects in foreign countries, The Conti Group generally needs to bring some sort of Ex-Im Bank financing or guarantee to the table. "It's that piece of paper you need to get to the next gate," Mr. Kenny said.

He said when The Conti Group competes for projects, even if it's for a private business in a foreign country rather than a government, they face fierce competition from companies that have a lot of financial backing from their home governments.

He said Chinese companies, in particular, are hard to compete with.

"Companies from China come in with exceptionally cheap financing and when you're dealing with these entities they have to make an argument 'why not use the Chinese?'," he said.

Mr. Kenny said Congress needs to reauthorize the Ex-Im Bank. If not the message to U.S. companies will amount to "you know what, these places aren't open for business." He added, "I don't know how we, as a construction company, would be able to compete against companies with home country ECA support."



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